



**Business  
for the  
Environment**  
Global Summit 2012

B4E Global Summit 2012  
**Outcome Statement & Recommendations**



Berlin, 21-23 May 2012

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## **B4E Global Summit 2012 Outcome Statement**

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The sixth annual B4E Global Summit was held in Berlin on 22-23 May 2012, one month ahead of the Rio+20 conference. The outcomes of this meeting provide a clear indication of the willingness of some businesses to be agents of transformative economic change, the increasing urgency associated with this change, and the demand that policy frameworks and objectives – at Rio and far beyond – support and accelerate this change.

While it has proved hard to achieve all the objectives set by the Millennium Development Goals, they are a good model: defining goals, helping to establish pathways, and creating shared commitments. Rio+20 must produce a similar set of goal-setting commitments. Through appropriate dialogue, the commitments made by business should re-enforce those made by governments, and vice-versa. Failure to set clear objectives now will potentially lock in environmentally unsustainable infrastructure and other investments for years to come. This is time that we do not have.

Broader indicators of progress should be clearly defined, complementing traditional measures of GDP. These should be used as a basis for reporting by all large businesses, civil society organizations, and governments. Mechanisms should be developed making such indicators a reporting requirement for businesses.

Current best practices within sectors and industries should, as soon as they become reasonably available, be enforced as basic standards. Compliance should be strengthened to push laggards and identify those infringing standards.

Tax and subsidies need to be reformed in order to correct any cost disadvantage of sustainable solutions compared to inadequate business-as-usual.

Most of the technological solutions needed for sustainability over the next 10-15 years are already here and we can bring them to scale and momentum with a combination of tighter standards and economic instruments. Identifying and acting on the levers of disproportionate change is key.

These include:

- The levers of financial markets, wealth creation and public procurement should all be brought to bear on finding solutions for resource efficiency and poverty elimination.
- Awareness building and education about solutions and risks of inaction are essential to empower citizen and create support for government action.
- Training and equality of chances are essential to bring about efficiency and the development of human capacity to manage and drive change.
- To the extent practicable, phased and predictable approaches will mitigate disruption inevitable in processes of transformational change, and keep producer and consumer behaviors more closely aligned.
- Practical bottom-up approaches, based on dialogue and cooperation amongst all actors can create results without delay and build a broad global movement for further innovation and change. Enabling bottom-up approaches – rather than designing top-down initiatives – should play a key role in Rio+20 and beyond.

Industry, government and NGO participants of the B4E Global Summit 2012 high-level working groups presented the following practical policy recommendations for decision makers at the Rio + 20 conference, and commitments within industry sectors. These contain numerous overlapping themes, around which common business agreement has been coalescing for some time. These emphasise the role of:

- Accurate measurement of impacts and costs;
  - The vital role of objectives to set goals, and rigorous reporting and regulation to ensure compliance;
  - Immediate action to remove subsidies which hinder the development of a green economy;
  - The role of precompetitive collaboration – and enabling mechanisms to empower this;
  - The practical urgency of action, and the practical capacity to act on the part of businesses;
  - Acceleration and scale, which can happen – but only with concerted effort to achieve it within the tight time-frame set by global environmental change and resource scarcity.
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## **B4E Global Summit 2012 Policy Recommendations**

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### **URBAN INFRASTRUCTURE**

Recommendations:

1. Establish a World Wide Sustainable City Index, a mandatory transparency index for all cities above a certain level of population. It should include associated benchmarks and specific targets for defines and agreed KPIs (Key Performance Indicators). As the building sector uses most energy in cities, the index should include building energy efficiency within the index (amongst other sub-indicators such as carbon dioxide emissions, etc.)
2. Ensure the right governance is in place at a local level, representing all major stakeholders, and provides the means to act. Decisions in the City should be based on appropriate Cost/Benefit analysis including Economic fundamentals and Comparative benchmarks.
3. Promote Active Mobility. Develop a Social Coherence on city mobility and stress the need for more “active mobility”. It is important to have the best mixture and multi modality mobility based on local conditions.

### **FOOD SECURITY & SUSTAINABLE AGRICULTURE**

Recommendations:

1. Establish efficient, effective and achievable Agricultural Sustainability Goals and Standards – recognizing the cross-sectoral nature of the wider land management issues and flexibility required for local contextualization using a balance sheet approach for resource use efficiency, food security, raw material sourcing, land health, water, farmer institutions, equity, food waste, and nutrition.
2. Focus policies and efforts on small-holders within groups – along with locally empowered governance support as the key actors for change in policy reform, credit provision, gender inclusion, food production and income generation seeking wider impacts with accelerated scaling up.
3. Provide better infrastructure and responsible investment incentives to change and to cope – to allow government, private sector, civil society and farmers to be bold as well as converge in embracing new practices and standards whilst reducing supply chain risks in a changing climate, and in particular support and reward precompetitive collaboration and informative sharing amongst private sector.

### **MATERIAL EFFICIENCY**

Recommendations:

1. Develop a framework and the associated tools (including database) to enhance the knowledge, fact finding and understanding on material flows and have governments to recommend the business to engage on this process.
  2. Provide the necessary capacity-building program, including updating the university and specialized school programs and work with governments to fund free-of-charge trainings for the professionals of the sector on the subject of circular economy (including regional outreach and material specificities).
  3. Develop a global level-playing field framework for potential regulations, enforcement measures and incentives (including, land fill tax, and prohibition of some waste material disposal).
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## **B4E Global Summit 2012 Policy Recommendations**

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### **WATER MANAGEMENT**

Recommendations:

1. Water needs to be better recognized and valued as an engine for green growth and integrated in policy making for all sectors.
2. Setting water goals addressing the human, economic and environmental needs, supported by integrated national/river basin plans and adequate investment incentives is essential.
3. Human development goals should not only address access, but also the safety issue of water.
4. The key to resource management and balance is an integrated water planning and design program.

### **ENERGY**

Recommendations:

1. Governments' energy policies must be clear and provide certainty for at least 20 years to private investors in the power sector.
2. Business is not opposed to the idea of pricing of natural capital as long as it is realistic, rising, and predictable.
3. The focus should be on energy efficiency. There must be incentives to drive energy efficiency improvements using existing technology across the whole energy supply chain.
4. The working group demanded elimination of subsidies on all forms of energy except for those that support R&D in new emerging low carbon technologies.
5. Keep markets open to new entrants for the supply of energy and the supply of energy technologies.

### **SUSTAINABLE CONSUMPTION**

Recommendations:

1. Immediate cuts on fossil fuel subsidies.
2. The government should tax materials not labour.
3. Integrate sustainability into primary school education
4. Set up a global carbon price
5. Make public procurement green

### **RESOURCE STEWARDSHIP IN THE MINING SECTOR**

Recommendations:

1. Define global standards for resource stewardship in mining and metals and define the roles of actors with the aim of creating a level playing field. In developing such standards governments should take into account the impact of mining on the environment, its interconnectivity with agriculture, livelihood of local communities, health, education and women. They should address the needs and well-being of all stakeholders involved (including vulnerable groups).
  2. Creation of a 'knowledge bank' of global good practices that have been followed by some within the mining sector and establish an international agency with in-country representation for the information dissemination, certification and accreditation of mining industry.
  3. Support the valuation of natural capital and its incorporation into financial models.
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## **B4E Global Summit 2012 Policy Recommendations**

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### **TRANSPORT AND MOBILITY**

Recommendations:

1. Clear global standards on information disclosure, environmental and social impact, fuel use, and eco-labelling across industries
2. Government should take into account the impact across a system-wide chain of linkages while making policies.
3. Consumer behaviour can change from policies that mandate informed decisions and will help scale up the use of low-carbon solutions.

### **INCLUSIVE BUSINESS**

Recommendations:

1. Simplification and streamlining of processes for establishing new business ventures in developing countries, including access to single coordinator (organization or individual) with local knowledge, influence and business orientation.
  2. Standardization and simplification of procedures to avoid corruption in the middle (e.g. moving certain taxation or payments online to circumvent opportunity for corruption)
  3. Academia can provide significant research and data to support business and government
  4. Development of international level resource or database which provides localized information directly and links to local actors who can assist (e.g. NGOs)
  5. Collaboration of upstream and downstream actors to remove obstacles for early stage investment for inclusive business opportunities
  6. Large institutions (e.g. multilateral development banks) should partner with investors to provide some funding and share risk
  7. Reform to harmful subsidies and import duties e.g. VAT duties on certain beneficial products or services
  8. Price signals that provide incentives for consumers to make correct choices
  9. Coordinated approach between public and private sector to education and vocational training for local businesses and government agencies to develop local enterprise skills and capacity
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